Assistance for tobacco exports

2580. SHRI V. HANUMANTHA RAO: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the specific assistance being given by the Tobacco Board to encourage tobacco exports from Andhra Pradesh;

(b) the number of farmers who will benefit from such exports;

(c) the specific financial assistance being give.. to Andhra farmers to grow better quality Virginia tobacco;

(d) whether such assistance will be increased in the coming fiscal year; and

(e) the steps proposed in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH): (a) The Tobacco Board provides assistance to the tobacco farmers through various extension and developmental schemes for improving the quality and productivity of tobacco grown in the State of Andhra Pradesh in tune with the changing international demands to promote exports. The schemes include, Farm Mechanization, Improving Yield & Quality of FCV tobacco, Improving curing practices, model project areas, integrated pest-management & quality circles etc. The Tobacco Board undertakes extensive advertisement campaign in the international media to promote Indian tobacco.

(b) All tobacco farmers are extended assistance under these schemes to derive benefit from exports.

(c) to (e) An allocation of Rs. 85.20 lakhs has been made for the year 2006-07 for these schemes. The Tobacco Board had also organized Input loans of about Rs. 30.00 crores to the farmers at 6%-6.5% rate of interest per annum from scheduled banks for 2005-06 crop season. The assistance under these schemes is extended as per need from time to time.

Discussions on crop specific issues

2581. SHRI V. HANUMANTHA RAO: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government have invited the farmers to discuss various crop-specific issues pertaining to WTO and Andhra Pradesh;

(b) if so, what are the issues raised by the farmers with regard to Andhra Pradesh;

(c) whether any safeguards are being negotiated with WTO on cash crops like chillies, Virginia tobacco, turmeric etc. from Andhra Pradesh; and

(d) the steps proposed to protect farmers from the open economy and WTO?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH): (a) and (b) The Government have, in association with UNCTAD organized a series of meetings with farmer's organizations including NGOs to discuss WTO related issues. Representatives of farmer's organizations from Andhra Pradesh have also attended these discussions. The farmers indicated that crude/refined edible oil, rice, oil seeds, sugar, groundnuts, oilcakes of cotton seed, cotton linters and raw cotton would require protection against tariff reductions in the ongoing negotiations at the WTO.

(c) The G-33 Group of countries, of which India is a part, have proposed that all agricultural products of developing countries should be protected against surge in imports and price depression. The Hong Kong Ministerial Conference has instructed the members to negotiate a Special Safeguard Mechanism with import quantity and price triggers.

(d) The Government is aware of the concerns of the Indian farmers in an open economy. India has maintained at the WTO that the developing countries cannot be asked to reduce their agriculture tariffs as long as the developed countries continue to subsidize the domestic produce of their farmers and also extend export subsidies to them. The Hong Kong Ministerial Declaration has already recognized the right of the developing countries to self-designate an appropriate number of tariff lines as Special Products to meet their food security, livelihood security and rural development needs. The G-33 proposal indicates that on these lines, zero or a minimal tariff reduction is required to be undertaken in respect of Special Products. Developing country member will also have a right to have recourse to a Special Safeguard Mechanism to guard against surge in volume of imports and also against price depressions. The Government is committed to providing adequate protection to domestic producers through WTO

compatible measures, including by calibrating the applied tariffs within the bound duties.

Indo-China Trade

2582. SHRI B. J. PANDA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that Indo-China trade has now increased at an astonishing rate;

(b) if so, the details thereof;

(c) whether China is better placed than India in trade in the international market;

(d) if so, the reasons thereof; and

(e) what is Government's action plan to give a boost to our trade in the international market on the lines of China?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH): (a) and (b) During the last five years India-China trade has increased at an average growth rate of 44.68%. The details of the last five years trade with China is given below.

(Figures in US$ MILLION)

	2000-01	2001-02	2002-03	2003-04	2004-05 (P)
Export	828.68	951.95	1975.48	2955.10	4586.28
%age growth	+53.81	+14.87	+107.51	49.58	+55.20
Import	1492.49	2036.39	2792.04	4053.23	6746.66
%age growth	+15.99	+36.44	+37.10	+45.17	+66.45
Trade volume	2321.17	2988.34	4767.52	7008.33	11332.94
%age growth	+27.15	+28.74	+59.53	+47.00	+61.70

(Source DGCI&S)
(P)-Provis

(c) and (d) China's total trade in the year 2005 stood at US$1422.54 billion. While Chinese imports totalled US $ 660.22 billion in 2005, exports recorded a value of US $ 762.32 billion. In 2005, total Chinese trade surplus stood at US$102.1 billion.